

COMMITTEE ON LEGISLATIVE RESEARCH  
OVERSIGHT DIVISION

**FISCAL NOTE**

LR No.: 1757-01  
Bill No.: SB 527  
Subject: Merchant Licenses: Counties  
Type: Original  
Date: March 3, 2003

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**FISCAL SUMMARY**

<b>ESTIMATED NET EFFECT ON GENERAL REVENUE FUND</b>			
<b>FUND AFFECTED</b>	<b>FY 2004</b>	<b>FY 2005</b>	<b>FY 2006</b>
<b>Total Estimated Net Effect on General Revenue Fund</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>

<b>ESTIMATED NET EFFECT ON OTHER STATE FUNDS</b>			
<b>FUND AFFECTED</b>	<b>FY 2004</b>	<b>FY 2005</b>	<b>FY 2006</b>
<b>Total Estimated Net Effect on Other State Funds</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>

Numbers within parentheses: ( ) indicate costs or losses.  
This fiscal note contains 5 pages.

ESTIMATED NET EFFECT ON FEDERAL FUNDS			
FUND AFFECTED	FY 2004	FY 2005	FY 2006
<b>Total Estimated Net Effect on <u>All</u> Federal Funds</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>

ESTIMATED NET EFFECT ON LOCAL FUNDS			
FUND AFFECTED	FY 2004	FY 2005	FY 2006
<b>Local Government *</b>	<b>Unknown</b>	<b>Unknown</b>	<b>Unknown</b>

**\*Income from new fee structure is expected to exceed \$100,000 annually. The actual amount would be determined by the amount of fee imposed by the governing body.**

### FISCAL ANALYSIS

#### ASSUMPTION

Officials of **St. Louis County** stated that based on 14,126 license fee accounts an additional \$284,475 dollars would be generated.

**Oversight** assumes this proposal would have no fiscal impact to state departments. Oversight assumes that the amount of revenue generated in those counties affected would be dependent upon the amount of fee that would be set by the governing body. The amount of additional revenue to be generated on a statewide basis is unknown.

**Officials not responding is as follows: City of St. Louis, St. Charles County, Jackson County, and the County Employee's Retirement System**

<u>FISCAL IMPACT - State Government</u>	FY 2004 (10 Mo.)	FY 2005	FY 2006
	<u><b>\$0</b></u>	<u><b>\$0</b></u>	<u><b>\$0</b></u>

FISCAL IMPACT - Local Government

FY 2004  
(10 Mo.)

FY 2005

FY 2006

**COUNTY or CITY GENERAL  
REVENUE FUND**

Income to Certain County or City  
General Revenue Fund

from merchant license fee increase \*

Unknown

Unknown

Unknown

**\* The amount of additional income from merchant license fee increase in certain counties or cities is indeterminable. Oversight assumes the increase would exceed \$100,000 annually.**

FISCAL IMPACT - Small Business

Small businesses located in certain counties would be expected to pay an additional fee for merchant licenses.

DESCRIPTION

This act modifies the cost of a merchant's license. The section governing this law was double enacted in 1994. That means that different language was passed in two bills that enacted the same section. This act repeals one of the versions of this section entirely and modifies the other.

The resulting fee structure from this act will enable the governing body of all charter counties and the city of St. Louis to assess a fee of up to \$25, adjusted annually for inflation, not to exceed \$100. Current law sets the fee in these counties and St. Louis at \$5, except for Jackson county, where current law lets the governing body set the fee, not to exceed \$100.

In all other counties, this act sets a fee of \$25. Currently, the double enacted sections conflict on this amount, setting it at \$5 in one and \$25 in the other.

This legislation is not federally mandated, would not duplicate any other program and would not require additional capital improvements or rental space.

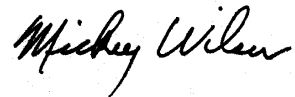
SOURCES OF INFORMATION

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St. Louis County Collector

NOT RESPONDING

City of St. Louis  
Jackson County  
St. Charles County

A handwritten signature in black ink that reads "Mickey Wilson". The signature is written in a cursive, flowing style.

Mickey Wilson, CPA  
Director  
March 3, 2003

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